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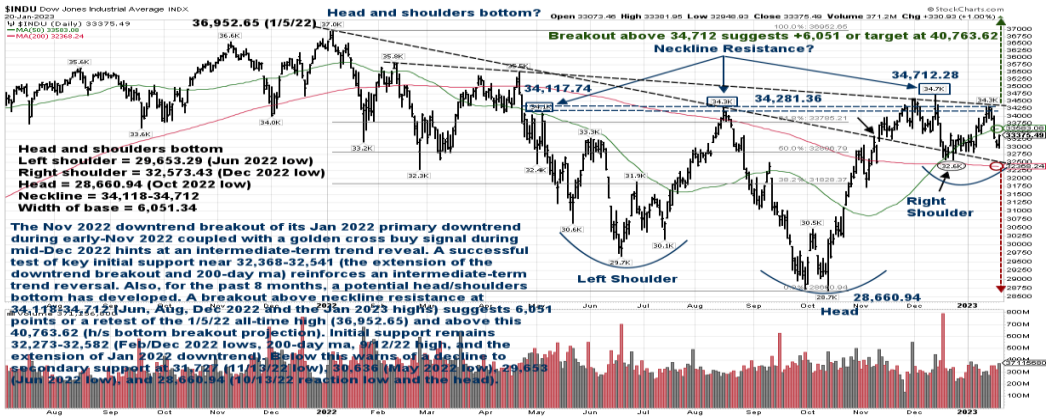
Lee Technical Strategy Newsletter

INDU – A 8-mo h/s bottom breakout above neckline resistance at 34,118-34,712 (Jun, Aug, Dec 2022 and the Jan 2023 highs) suggests 6,051 points or a retest of the 1/5/22 all-time high (36,952.65) and 40,763.62 (h/s breakout target). Initial support is 32,273-32,582.

RRG study shows improvements with 21 INDU stocks in Leading/Improving quadrants. 9 INDU stocks are in the Weakening/Lagging quadrants.

Technical Review of Dow Jones Industrial (INDU)



INDU – The Nov 2022 downtrend breakout of its Jan 2022 primary downtrend during early Nov 2022 coupled with a golden cross buy signal during mid-Dec 2022 hints at an intermediate-term trend reveal. A successful test of key initial support near 32,368-32,541 (the extension of the downtrend breakout and 200-day ma) reinforces an intermediate-term trend reversal. Also, for the past 8 months, a potential head/shoulders bottom has developed. A breakout above neckline resistance at 34,118-34,712 (Jun, Aug, Dec 2022 and the Jan 2023 highs) suggests 6,051 points or a retest of the 1/5/22 all-time high (36,952.65) and above this 40,763.62 (h/s bottom breakout projection). Initial support remains 32,273-32,582 (Feb/Dec 2022 lows, 200-day ma, 9/12/22 high, and the extension of Jan 2022 downtrend). Below this warns of a decline to secondary support at 31,727 (11/13/22 low), 30,636 (May 2022 low), 29,653 (Jun 2022 low), and 28,660.94 (10/13/22 reaction low and the head).

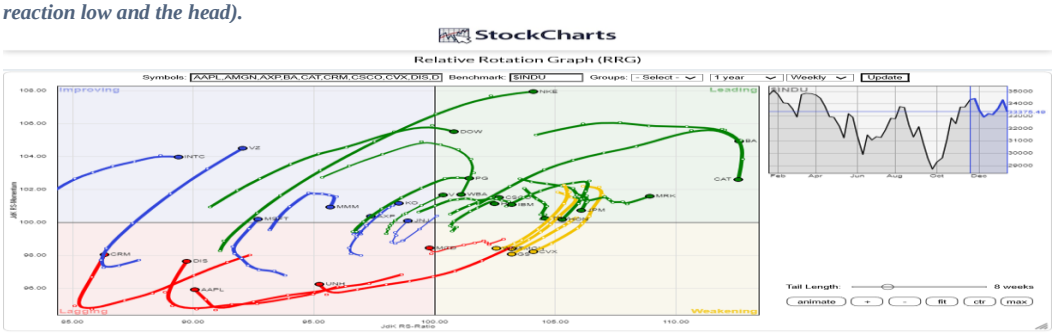


chart	visible	tail	symbol	name	sector	industry	price	%chg
	☑		BA	Boeing Co.	Industrial	Aerospace	206.76	15.9
	☑		CAT	Caterpillar, Inc.	Industrial	Commercial Vehicles	249.71	6.4
	☑		MRK	Merck & Co., Inc.	Health Care	Pharmaceuticals	109.94	2.9
	☑		NKE	Nike Inc.	Consumer Discretionary	Footwear	126.62	19.9
	☑		JPM	J.P. Morgan Chase & Co.	Financial	Banks	135.08	-0.5
	☑		DOW	Dow Holdings Inc.	Materials	Commodity Chemicals	57.44	13.0
	☑		HON	Honeywell International, Inc.	Industrial	Diversified Industrials	202.03	-8.2
	☑		TRV	The Travelers Cos., Inc.	Financial	Property-Casualty Insurance	185.33	-1.4
	☑		IBM	International Business Machines	Technology	Computer Services	141.20	-4.8
	☑		CSCO	Cisco Systems, Inc.	Technology	Telecom Equipment	46.78	-2.6
	☑		PG	Procter & Gamble Co.	Consumer Staples	Personal Products	142.97	-1.9
	☑		HD	Home Depot, Inc.	Consumer Discretionary	Home Improvement Retailers	315.00	-2.9
	☑		WBA	Walgreens Boots Alliance, Inc.	Consumer Staples	Drug Retailers	35.88	-13.9
	☑		V	Visa Inc.	Technology	Computer Services	224.31	4.9
	☑		INTC	Intel Corp.	Technology	Semiconductors	29.22	-0.4
	☑		VZ	Verizon Communications	Communication Services	Fixed Telecommunications	40.00	4.1
	☑		MSFT	Microsoft Corp.	Technology	Software	240.22	-2.9
	☑		MMM	3M Co.	Industrial	Diversified Industrials	120.65	-6.5
	☑		AXP	American Express Co.	Financial	Consumer Finance	151.60	-1.3
	☑		KO	Coca Cola Co.	Consumer Staples	Soft Drinks	60.08	-3.5
	☑		JNJ	Johnson & Johnson	Health Care	Pharmaceuticals	168.74	-4.8
	☑		CVX	Chevron Corp.	Energy	Integrated Oil & Gas	180.50	-1.5
	☑		GS	Goldman Sachs Group, Inc.	Financial	Investment Services	341.84	-11.5
	☑		AMGN	Amgen, Inc.	Health Care	Biotechnology	263.24	-7.2
	☑		WMT	Walmart Inc.	Consumer Staples	Personal Products	140.54	-7.8
	☑		CRM	Salesforce.com, Inc.	Technology	Software	151.25	-1.4
	☑		AAPL	Apple, Inc.	Technology	Computer Hardware	137.87	-6.8
	☑		DIS	Walt Disney Co.	Communication Services	Entertainment	103.48	-4.7
	☑		UNH	Unitedhealth Group, Inc.	Health Care	Health Care Providers	486.72	-9.2
	☑		MCD	McDonalds Corp.	Consumer Discretionary	Restaurants & Bars	268.68	-1.8

Source: Charts courtesy of StockCharts.com

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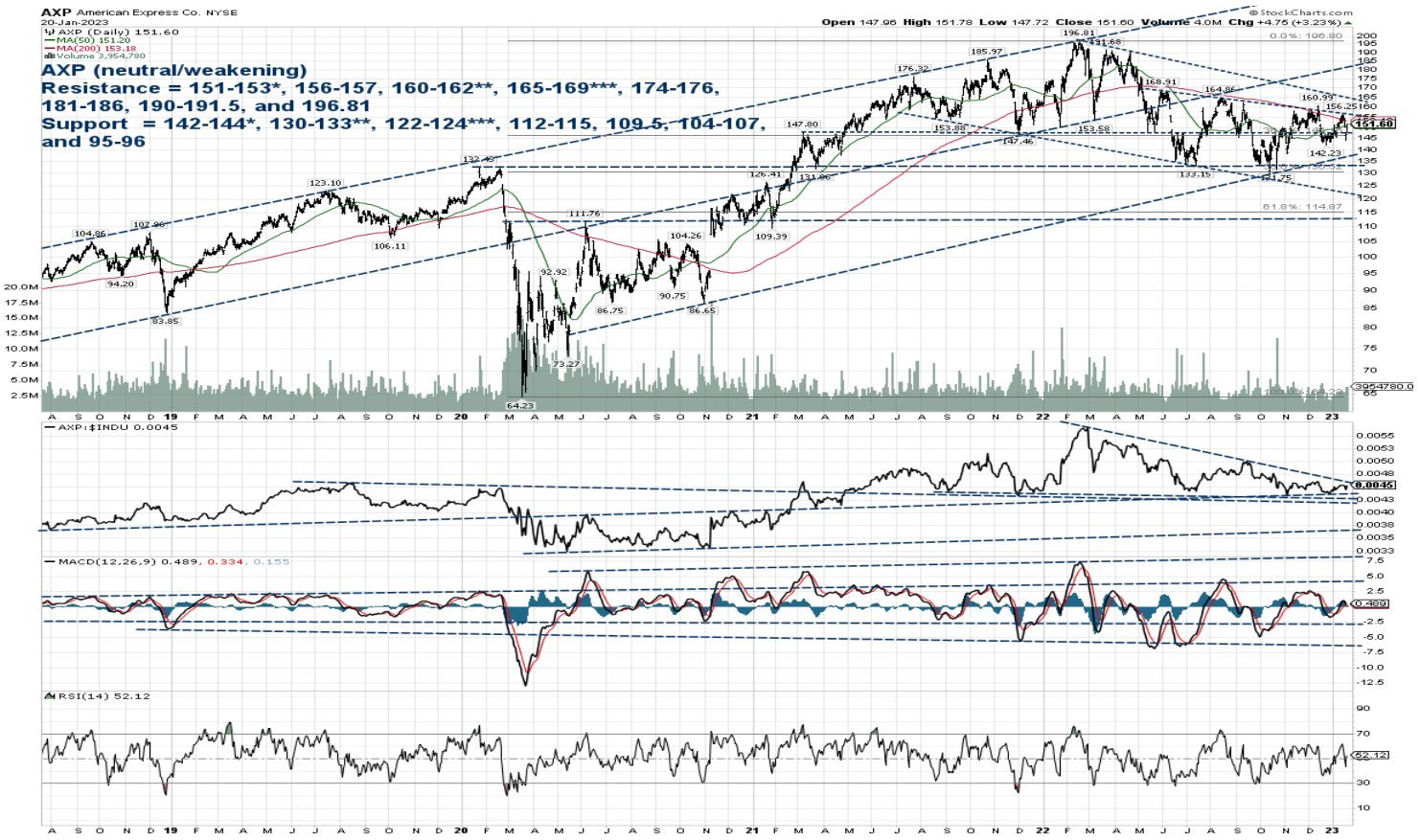

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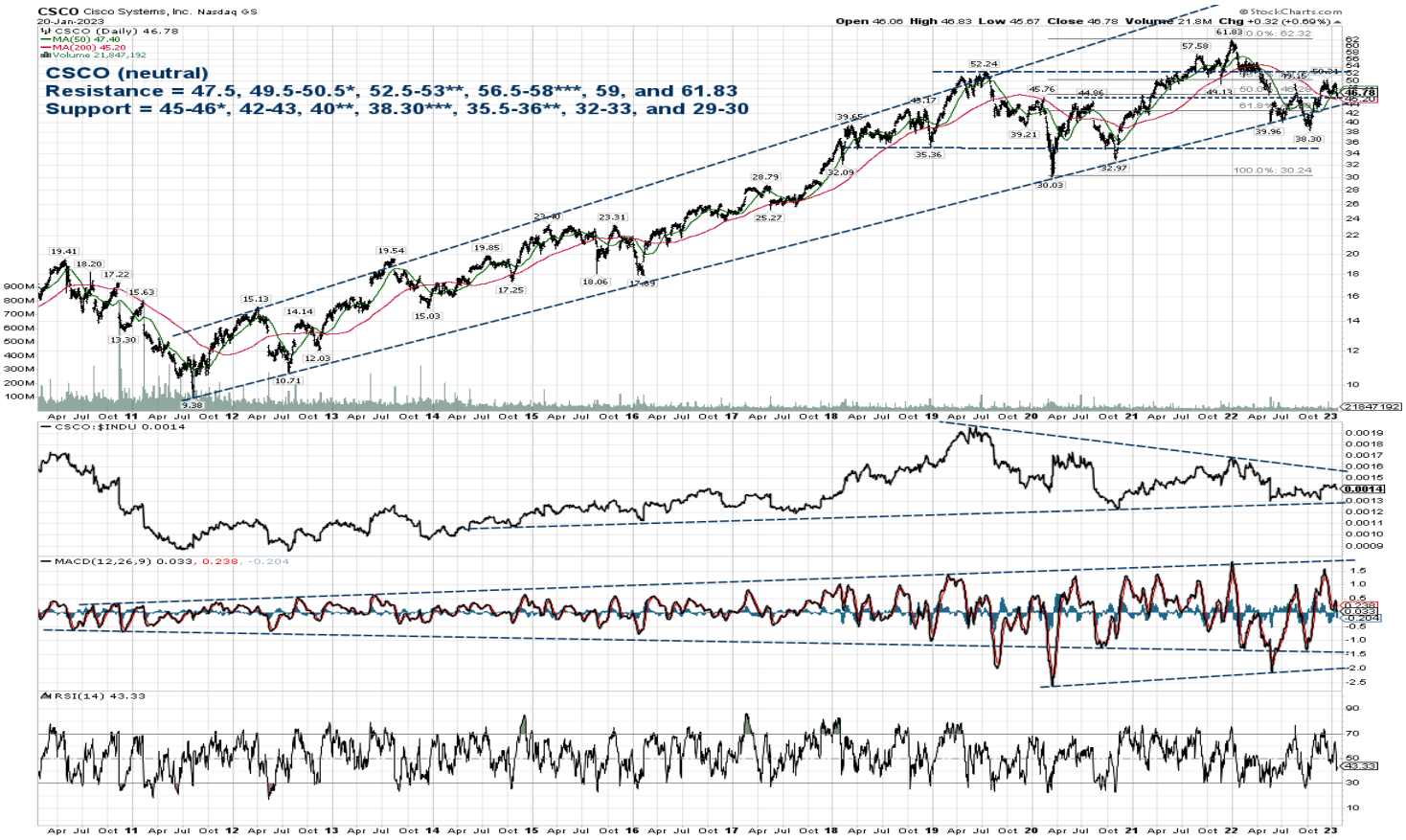

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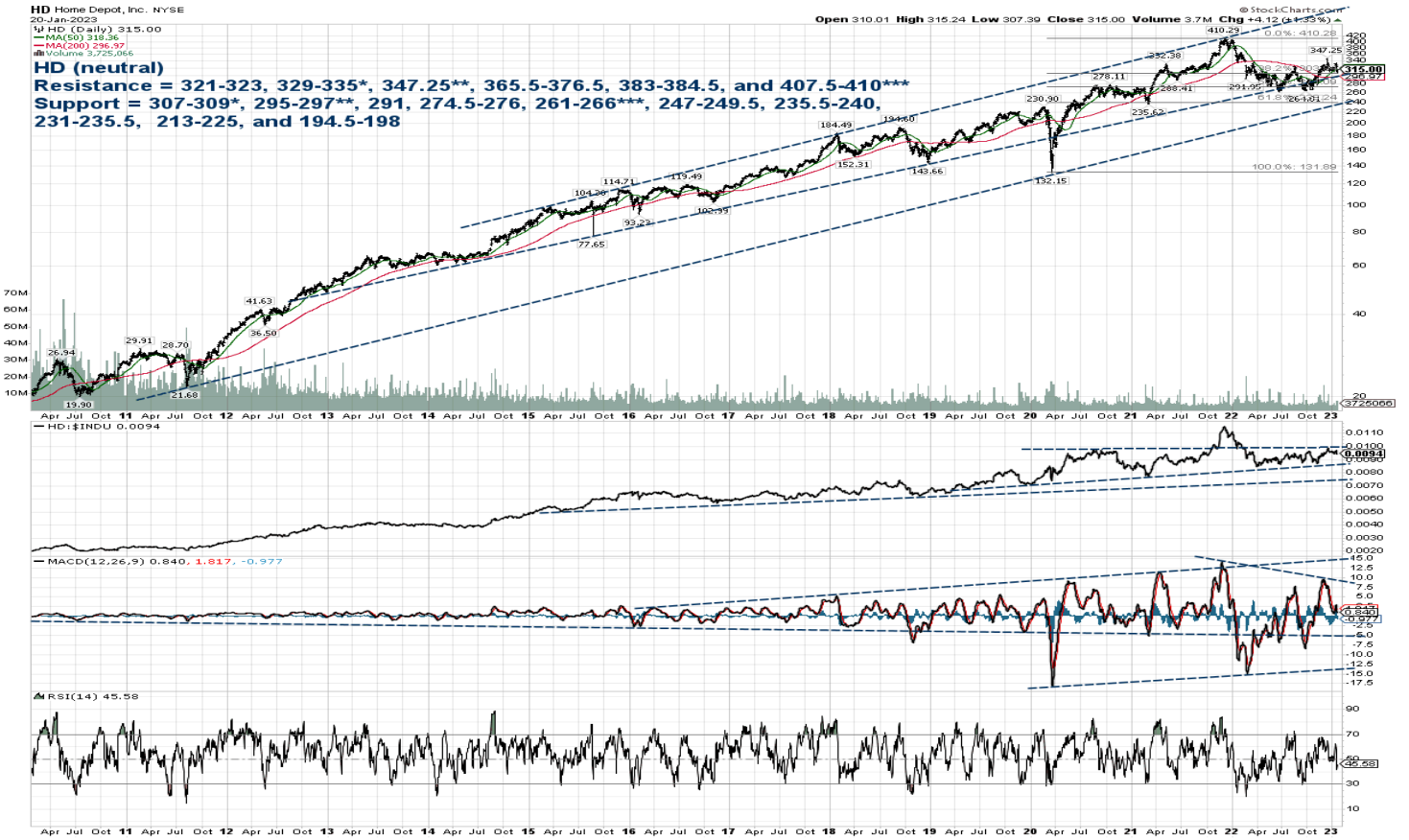

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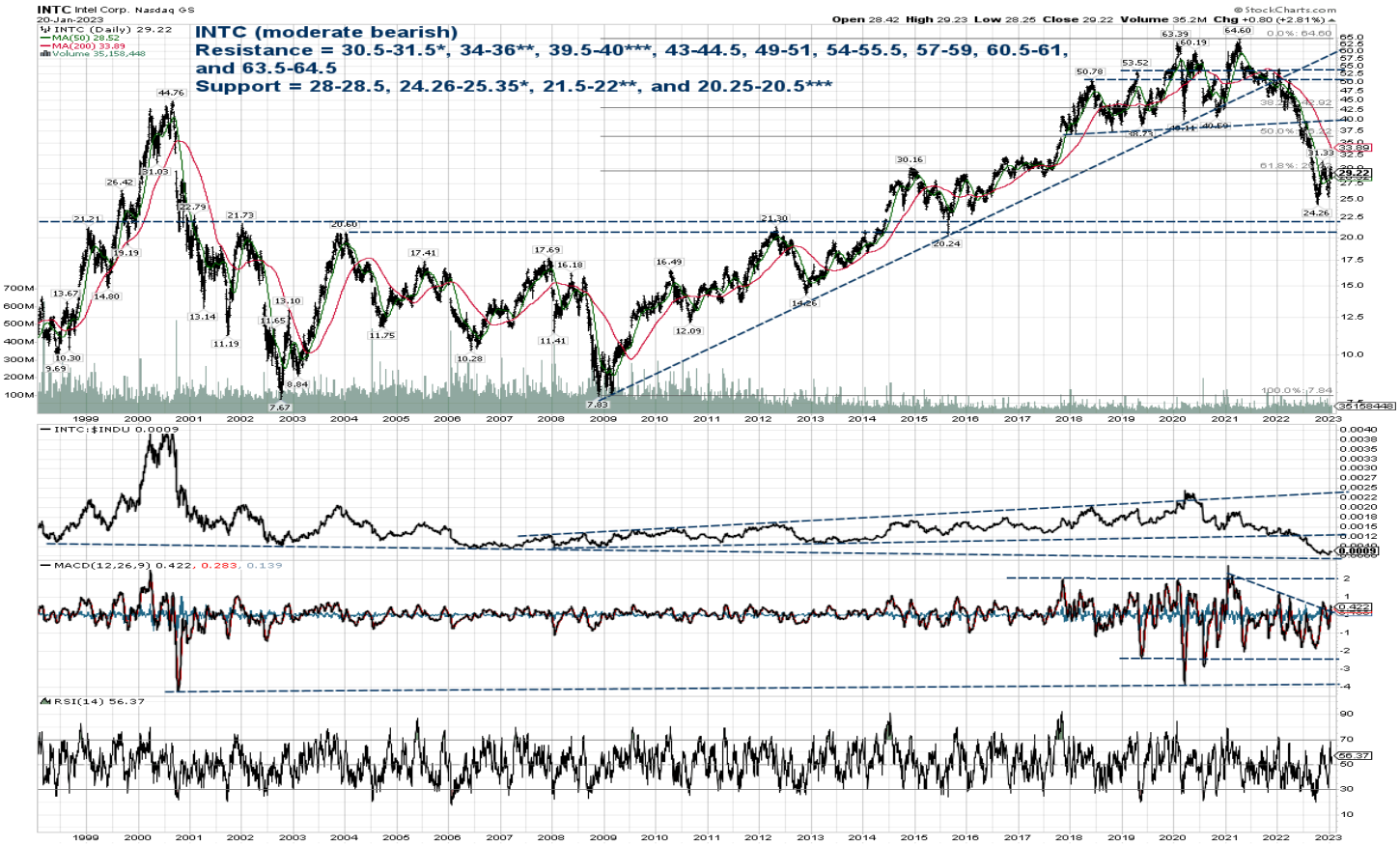

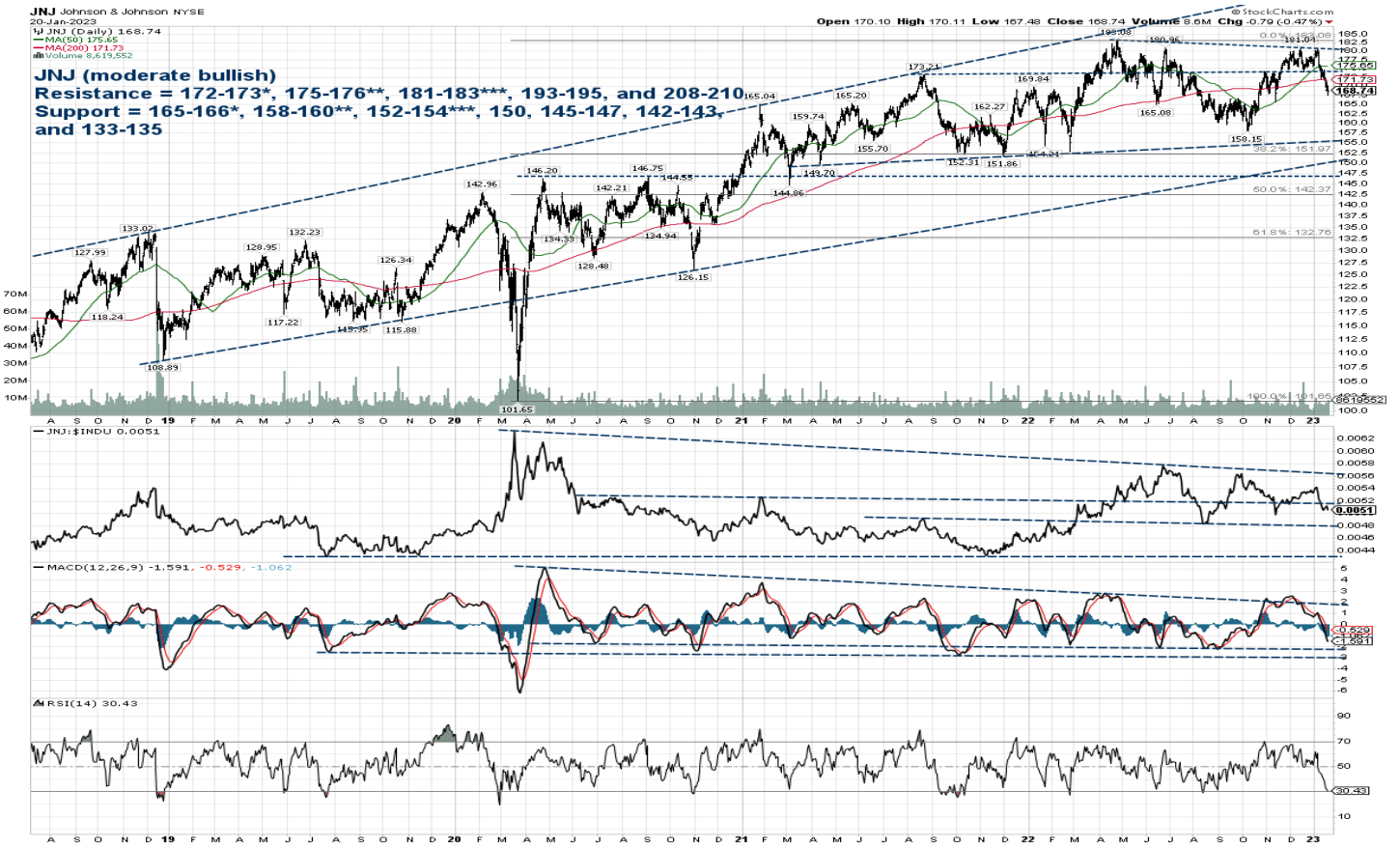

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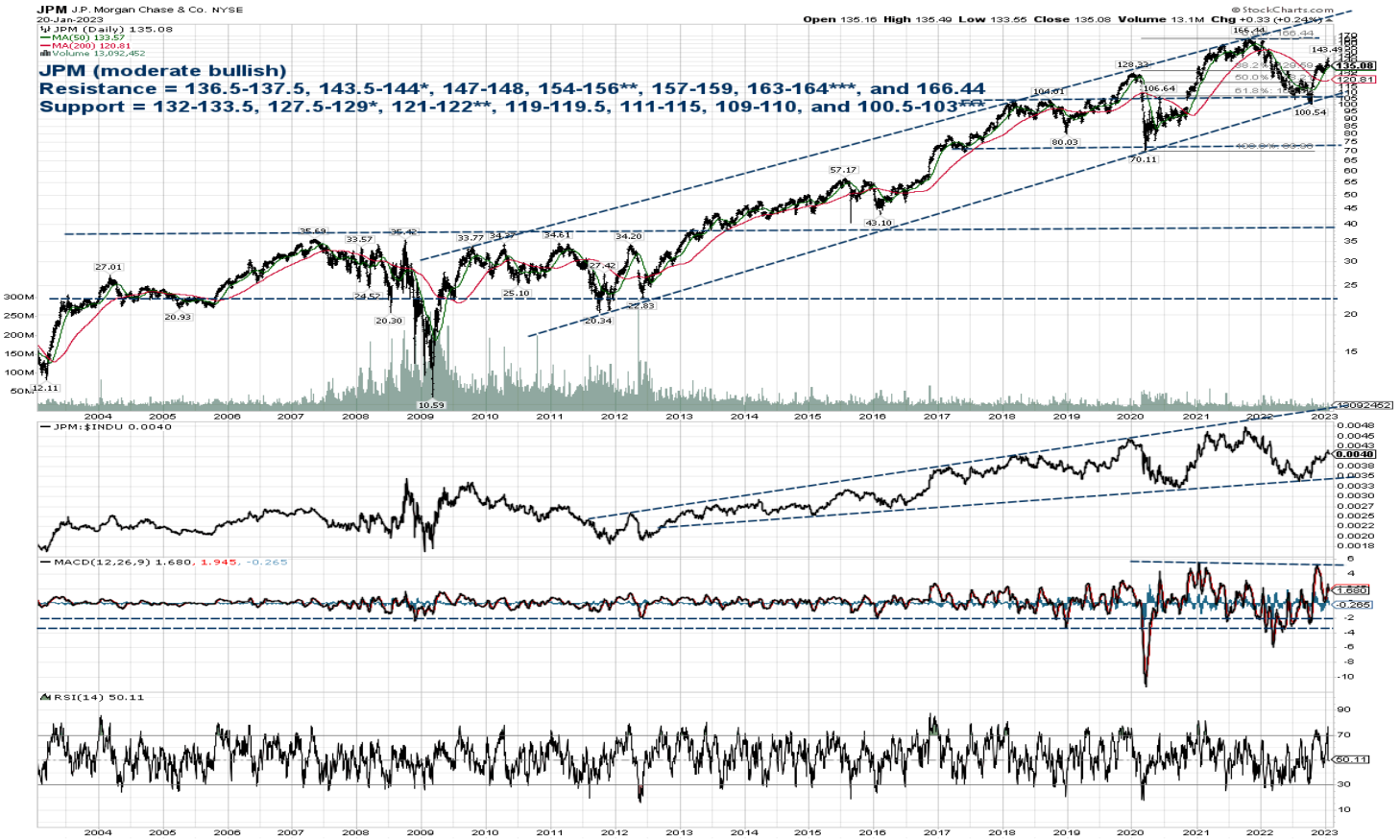

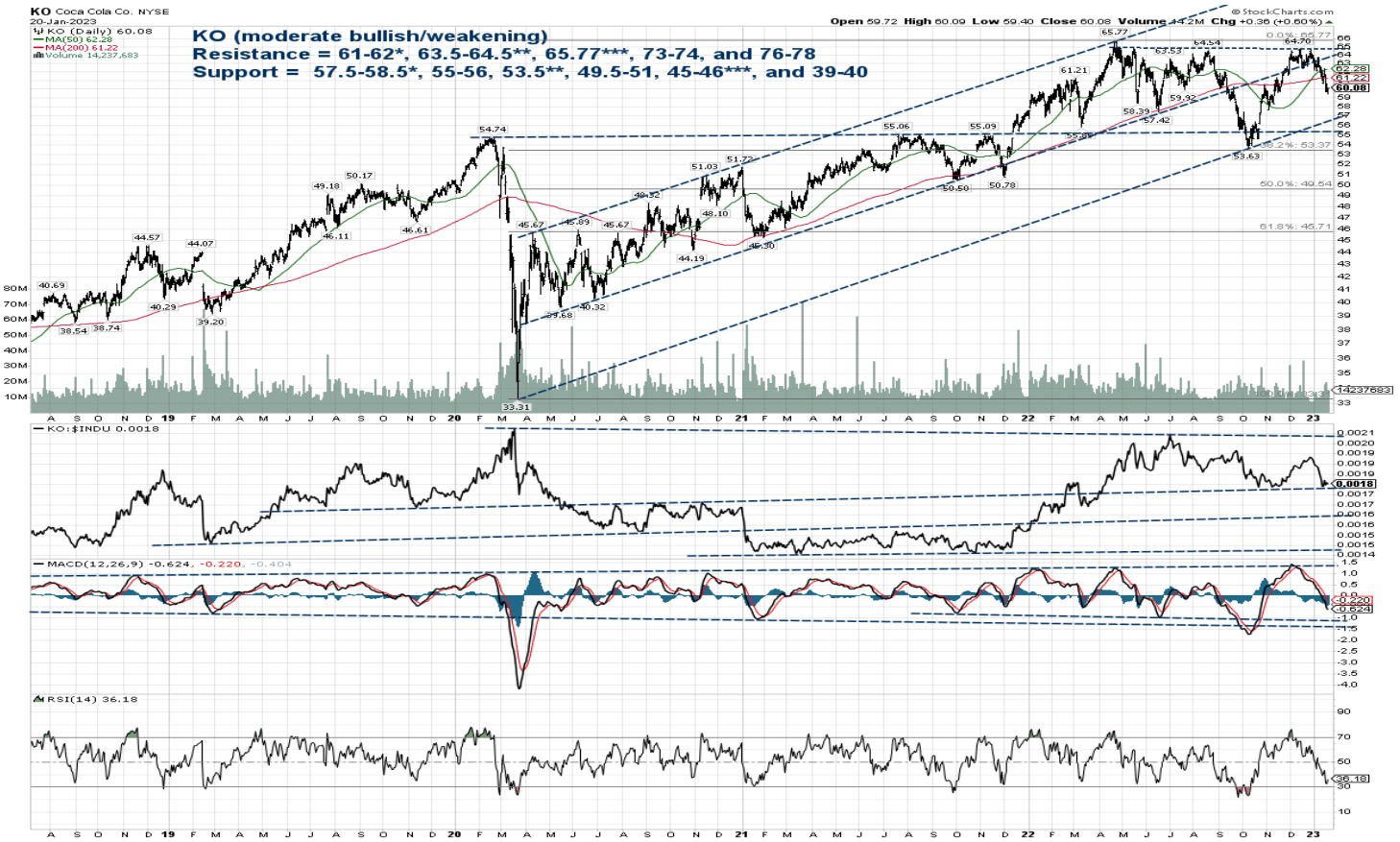

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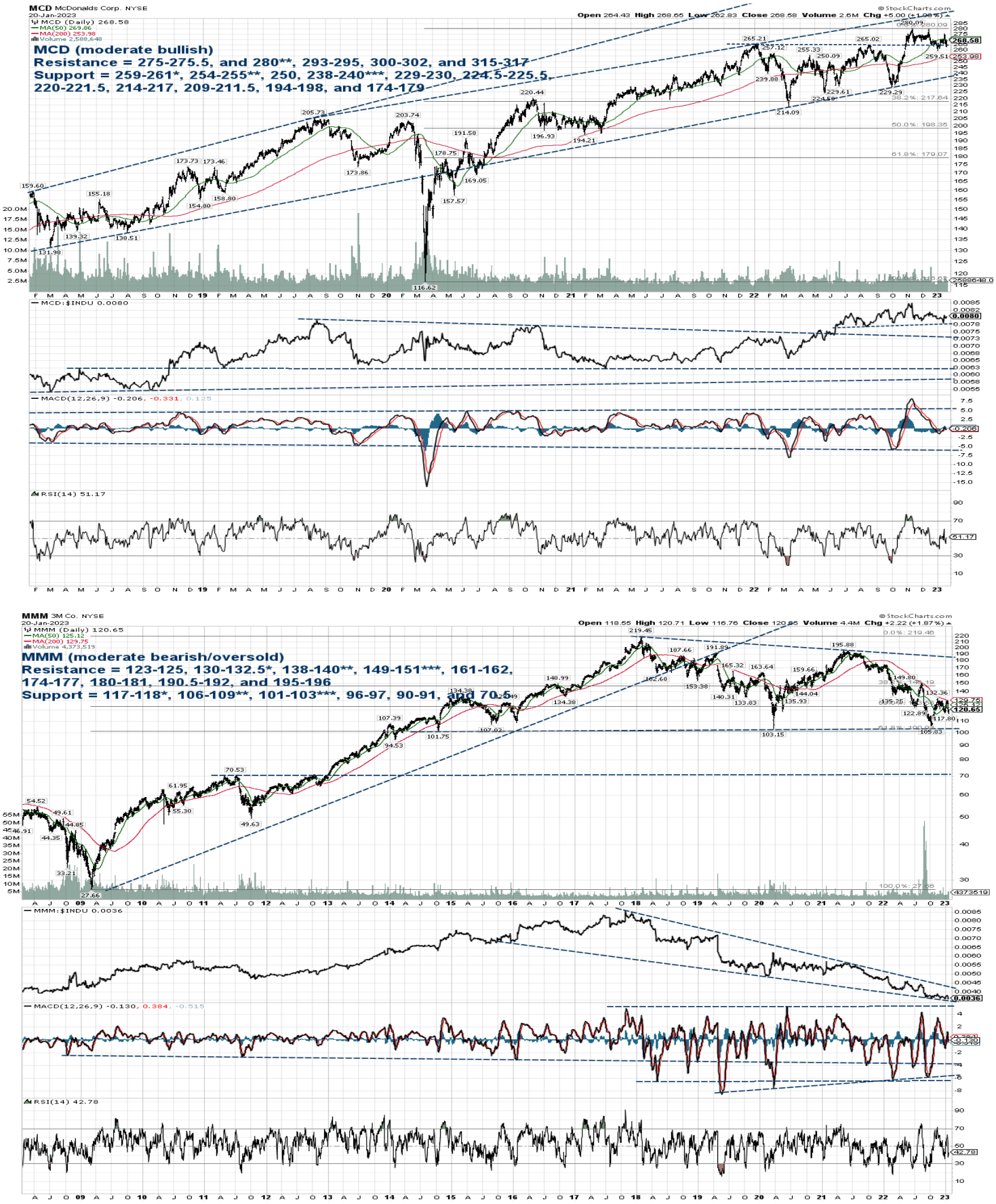

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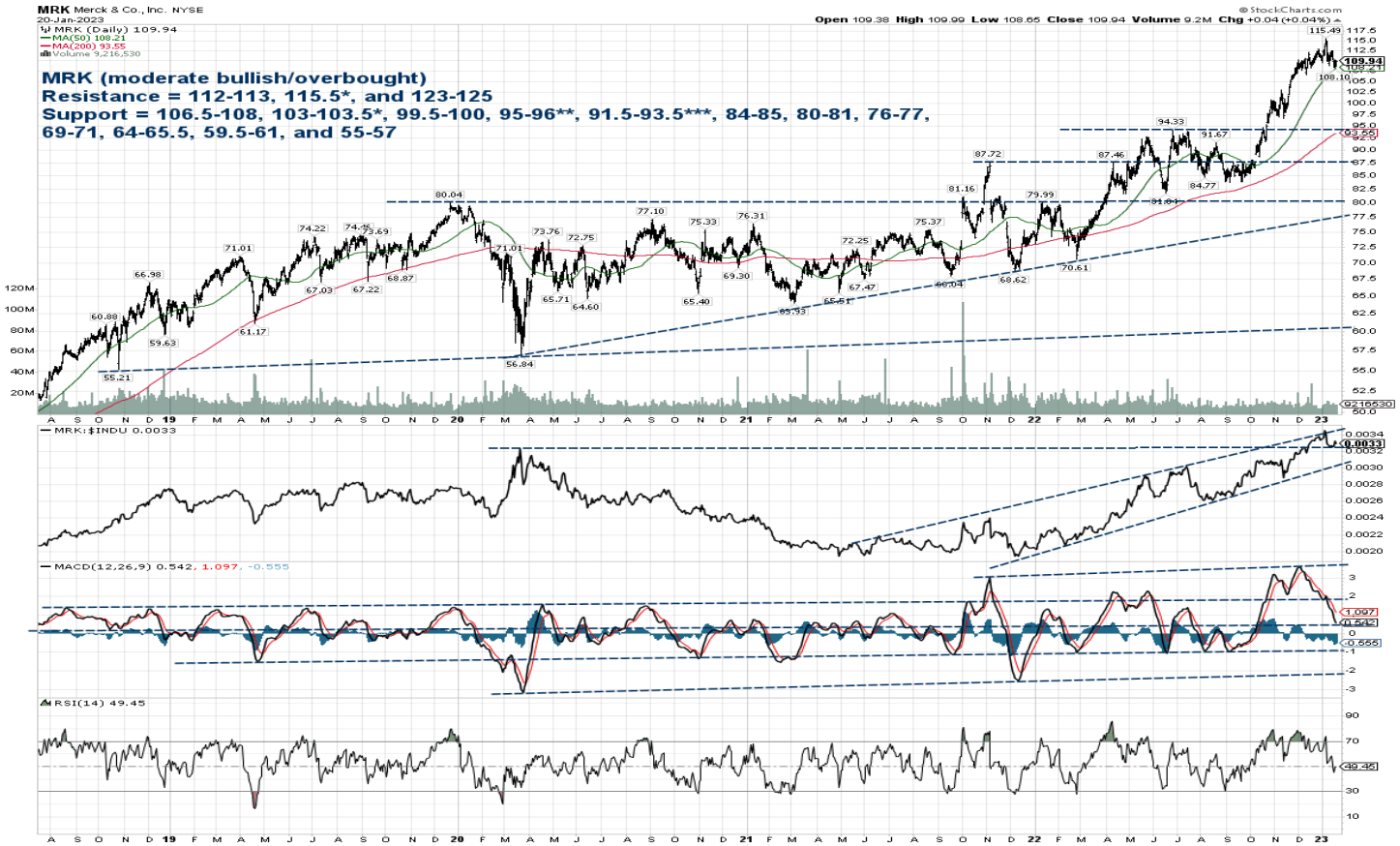

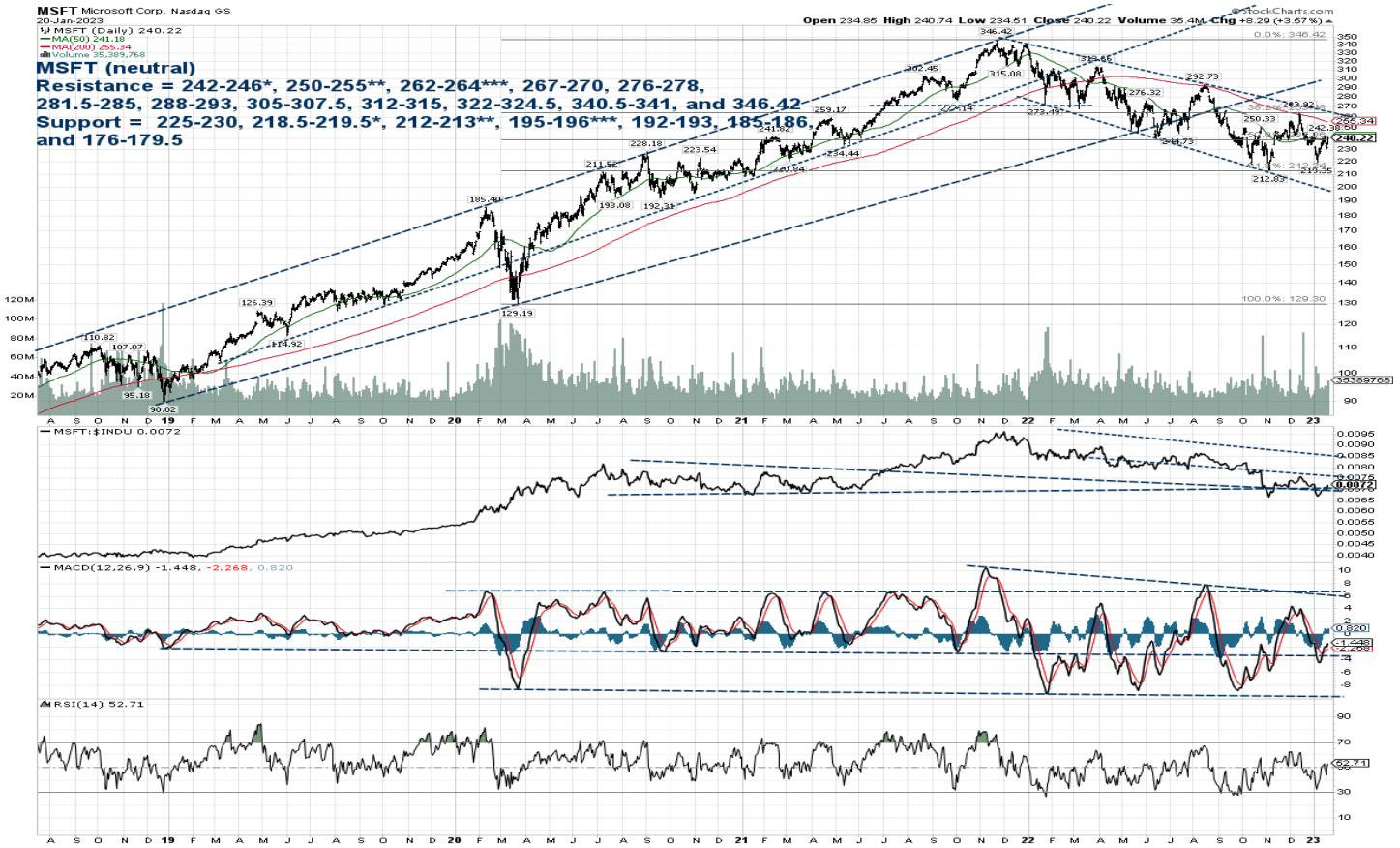

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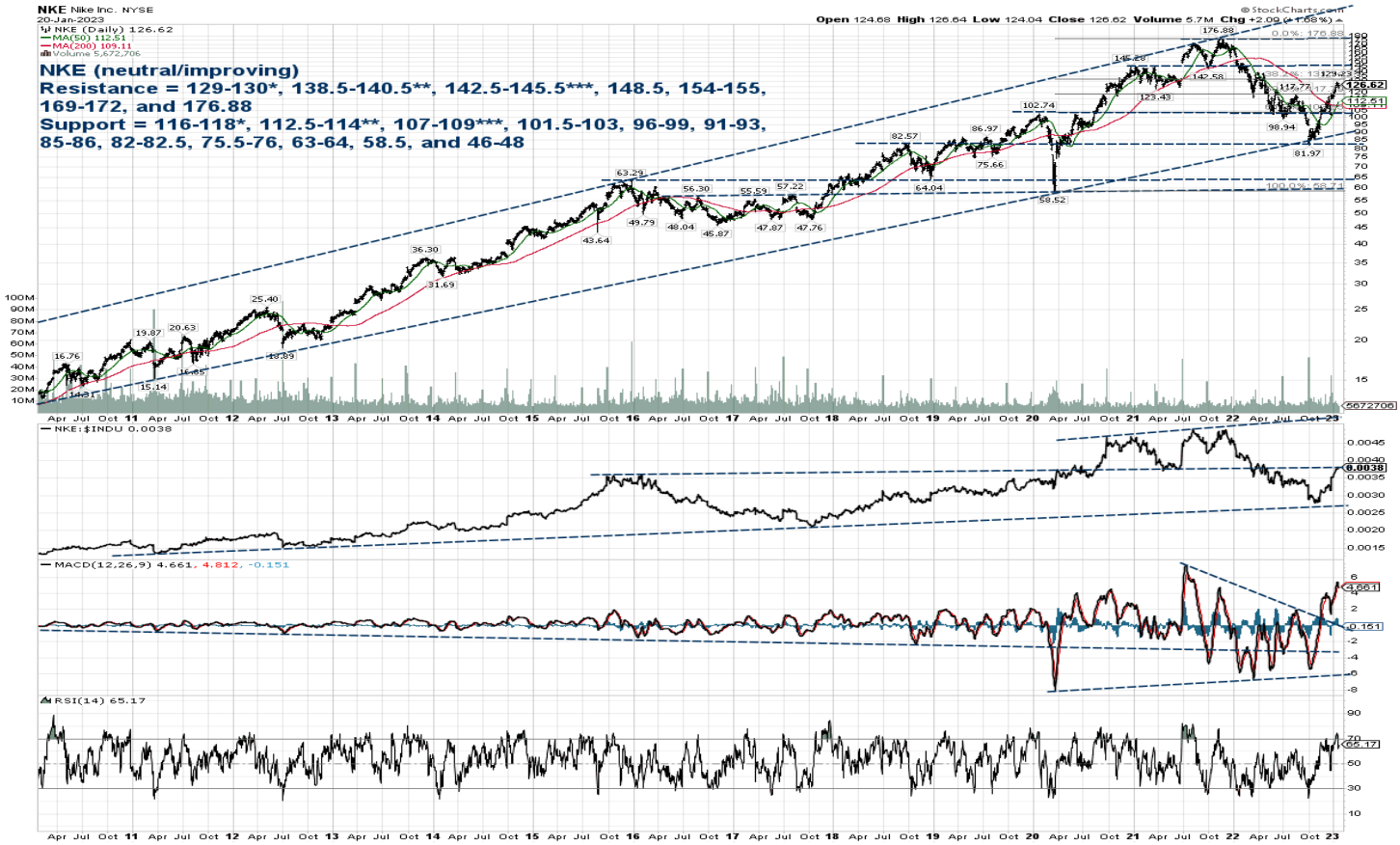

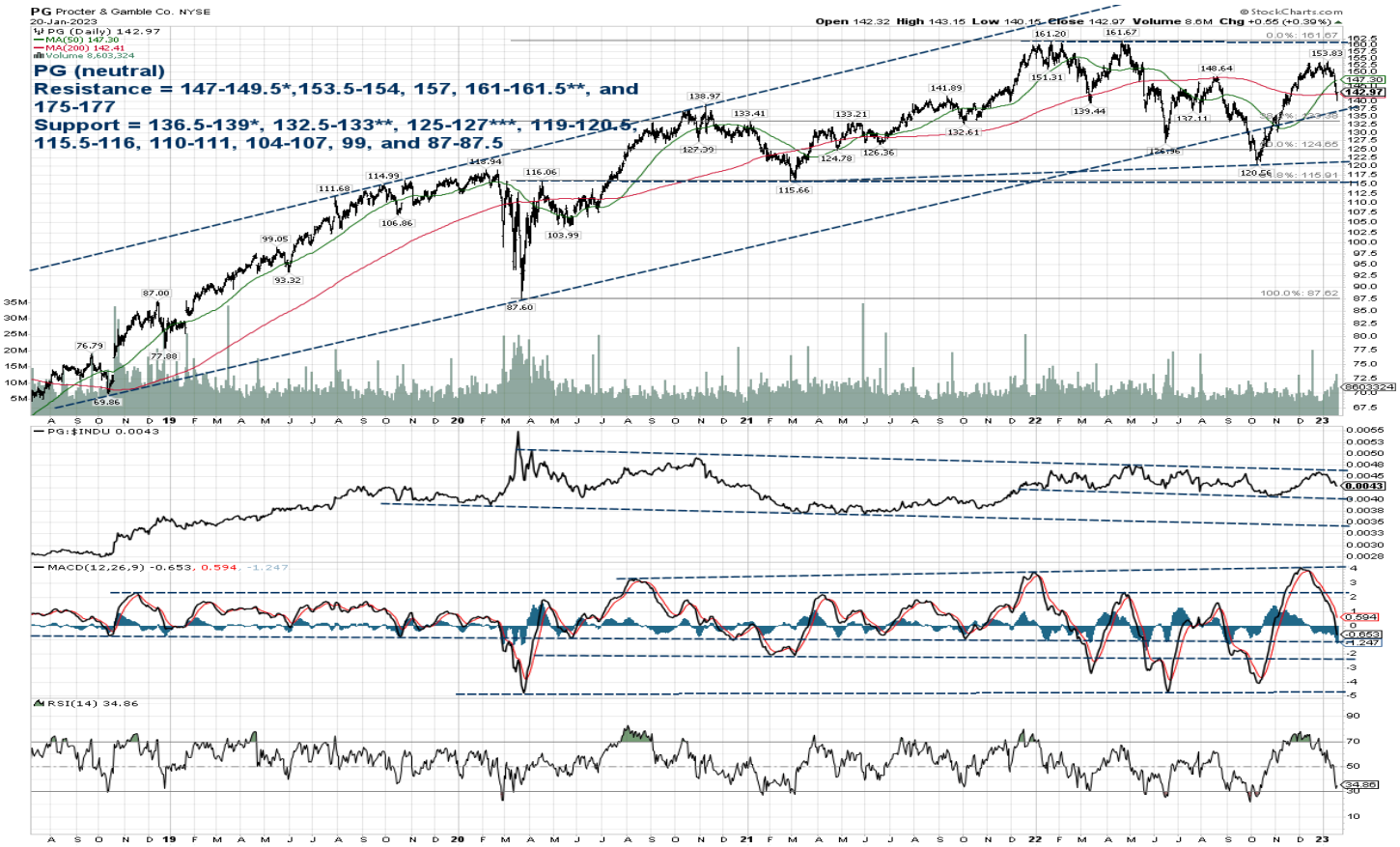

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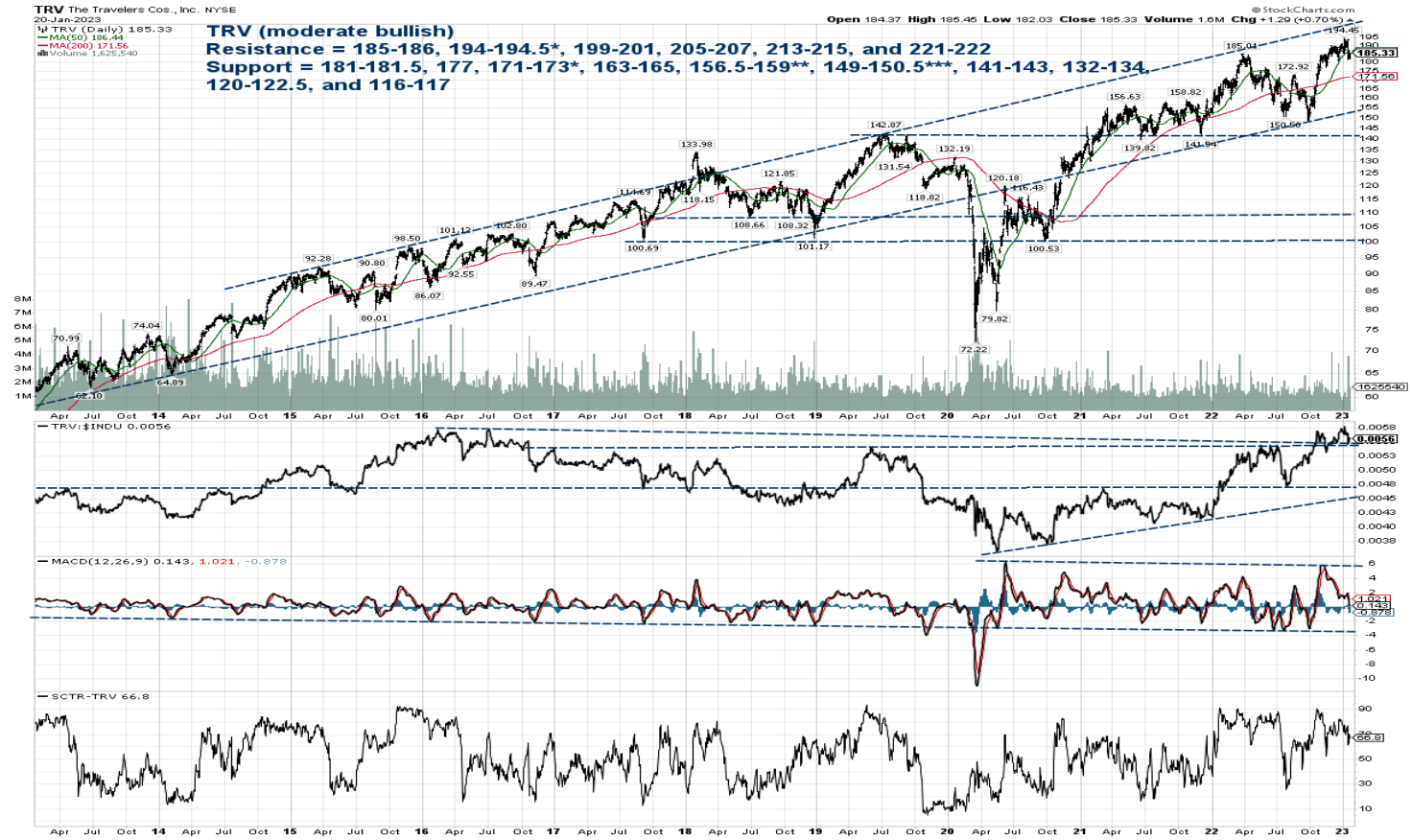

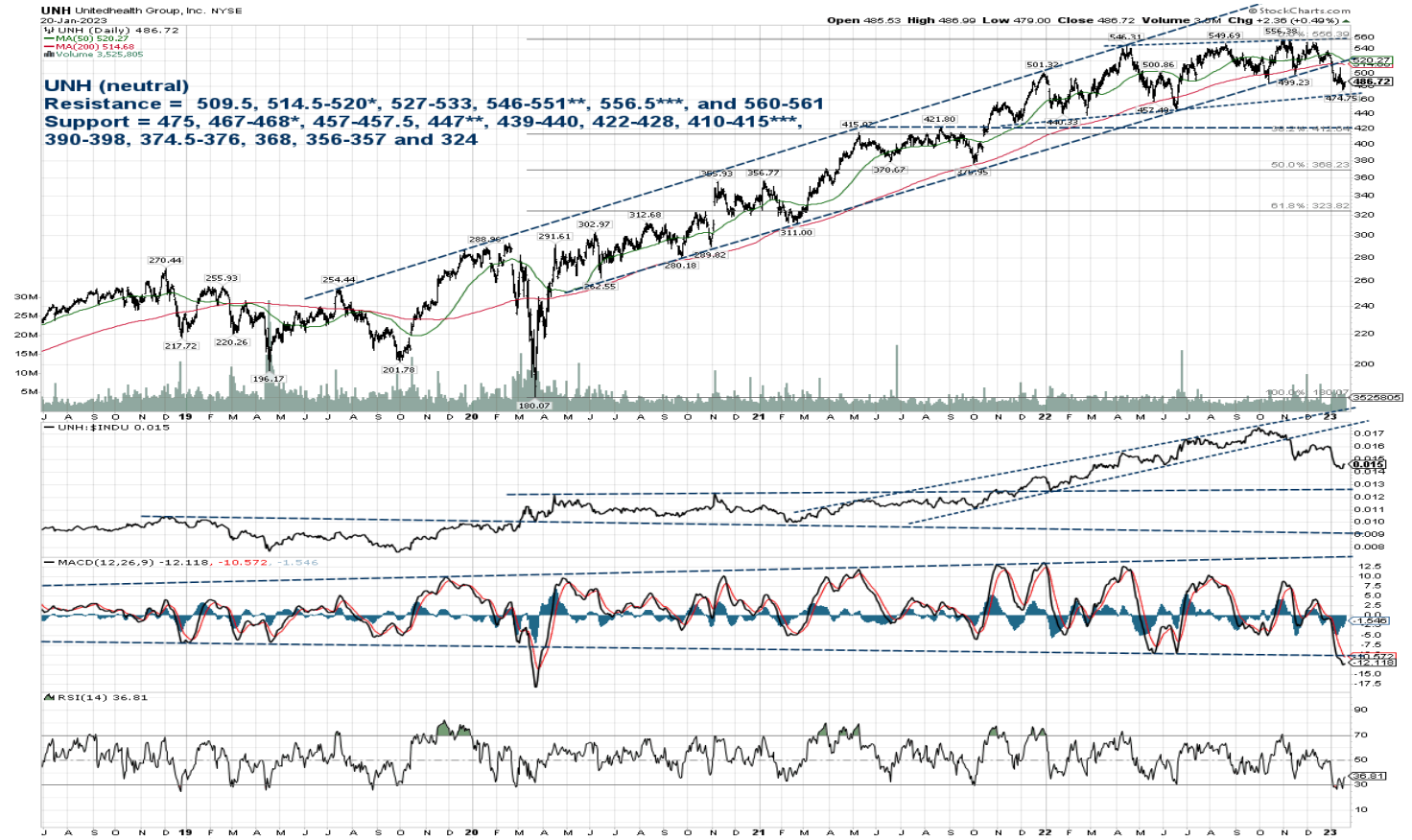

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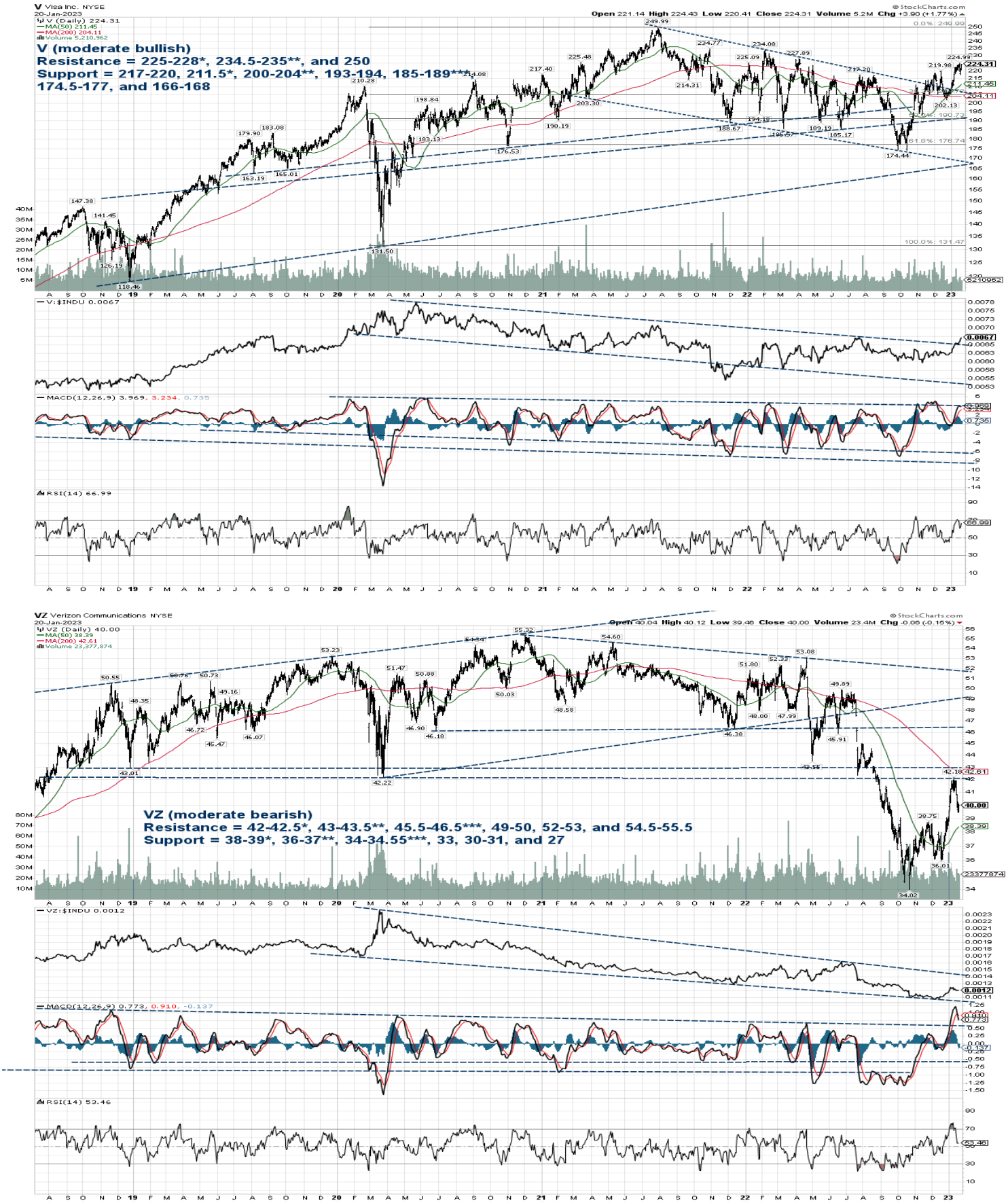

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